

State of Utah DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division Director

Division of Oil, Gas and Mining JOHN R. BAZA

February 18, 2014

CERTIFIED RETURN RECEIPT 7005 0390 0005 5857 2985

Jim Runquist TME Asphalt Ridge LLC 4526 Ridgeview Drive Eagan, Minnesota 55123

Subject: Evaluation of Reclamation Surety, TME Asphalt Ridge Mine, TME Asphalt Ridge

LLC, M/047/0089, Uintah County, Utah

Dear Mr. Mr. Runquist:

The Division of Oil, Gas and Mining's last reclamation cost estimate for the TME Asphalt Ridge mine was completed in 2008 and escalated to 2013 dollars, so the reclamation surety amount is now due for review and adjustment. The Division may adjust the amount of reclamation surety as the result of a periodic review taking into account inflation/deflation based on an acceptable cost index (R647-4-113.6).

The Division has developed worksheets to assist both the Division and mine operators to calculate the reclamation surety amount using standard unit costs. These are available on the Division's web site at

http://linux1.ogm.utah.gov/WebStuff/wwwroot/minerals/bonding worksheets.html. Please complete these forms and return a copy to the Division for review. Once the forms have been reviewed, the Division will ask that you adjust the amount of surety to reflect the current reclamation cost estimate. Please submit the reclamation cost estimate as an amendment to the Notice of Intention to Commence Large Mining Operations (NOI) by April 18, 2014.

Please contact Wayne Western at 801-538-5263 or by e mail at waynewestern@utah.gov if you have questions about the worksheets.

The Division also requests that you review the NOI to ensure it is adequate and reflects the current operating conditions. Any necessary changes should be addressed by submitting an amendment to the NOI.



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Thank you for your cooperation. Please call me at 801-538-5261 or April Abate at 801-538-5214 if you have questions about this letter.

Sincerely,

fresh by Paul B. Baker

Mining Program Manager

PBB:pb

Boris Treyzon, TMC Capital LLC Jerry Mansfield, SITLA (jmansfield@utah.gov)

Lennie Boteilho, Ames Construction